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April 4, 2011

The Honorable Julius Genachowski
Chairman
445 12th Street, SW
Washington, DC 20554

Dear Chairman Genachowski:

We are writing with regard to the Federal Communications Commission's (FCC) efforts to reform the Universal Service Fund (USF) and Intercarrier Compensation regime.

This recently announced Notice of Proposed Rulemaking (NPRM) to address these issues is a step in the right direction, especially as you attempt to introduce reforms that result in less waste and more accountability for ratepayer dollars, and we applaud your leadership in undertaking necessary reform.

One area we would like to highlight is the continued need for access to consumer-driven services, such as the range of toll conferencing options. As you know, millions of consumers, small businesses, educational institutions, and other non-profit organizations rely on these services daily.

We are confident there are solutions that would provide a level playing field for all telecommunications carriers and service providers in urban and rural areas, while eliminating the incentives for abuse. While NPRM properly outlines the issues surrounding access simulation, we urge the FCC to closely examine solutions that address pricing Intercarrier Compensation rates at lower rates for higher call volumes so as to preserve such valuable consumer services and to continue to encourage investment in underserved areas.

Again, thank you for your work on this important issue and we look forward to working with you to resolve this issue in a way that protects all American consumers and businesses.

Sincerely,

Donald M. Payne
Donald M. Payne
Member of Congress

c: FCC Commissioners

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FEDERAL COMMUNICATIONS COMMISSION

September 7, 2011

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Donald M. Payne
U.S. House of Representatives
2310 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Payne:

Thank you for your letter regarding the Commission's current efforts to reform the Universal Service Fund and the intercarrier compensation system. As you noted, one of the issues the Commission is examining in its *Notice of Proposed Rulemaking* is access stimulation and the impact of Commission policies on services such as conference calling services.

Interested parties recently submitted comments and reply comments on proposals regarding access stimulation, and the Commission's staff is in the process of reviewing these filings. The *Proposed Rulemaking* did not propose to declare the practice unlawful, as many providers have urged. Rather, it required entities engaging in revenue sharing, which may include a conference call company, to refile their rates to reflect the volume of traffic delivered. Resolution of this issue should bring certainty to providers while taking action to reduce inflated revenues that result from intercarrier compensation rates based on elevated traffic volumes.

As the Commission considers these issues, our objective is to spur deployment of broadband and IP networks while taking measures to prevent gaming the intercarrier compensation system and eliminate any abuses and inefficiencies that are occurring with the current system. The reforms also will create a level playing field to enable all providers to compete on equal terms. Please be assured that any decision by the Commission will take into account the interests of consumers, businesses, and carriers, and the importance of continued investment in underserved areas.

I appreciate learning of your concerns and look forward to your continued input on these important issues.

Sincerely,



Julius Genachowski